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SUBJECT: NICARAGUA: MARTHA GUADALUPE ROMERO: ADDITIONAL INFORMATION  
FOR REQUEST OF FINDING OF SECTION 2225 VISA INELIGIBILITY

REF: 04 MANAGUA 2136

#### SUMMARY AND INTRODUCTION

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¶1. (SBU) Post forwards additional information to support the request of a finding of visa ineligibility concerning Martha Guadalupe Romero under Section 2225 of the Foreign Affairs Reform and Restructuring Act of 1998. U.S. citizen Roberto Velez has been unsuccessful in reclaiming his property from Romero via the courts or negotiations with the Government of Nicaragua (GON). Post believes that visa revocation or denial might encourage Romero to return the property to Mr. Velez or compel the GON to settle the claim with him via indemnification bonds (BPIs).

#### EXECUTIVE SUMMARY

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¶2. (SBU) On July 20, 2004, Post submitted reftel recommending to the Department that Martha Guadalupe Romero be considered ineligible for a non-immigrant visa under Section 2225 of the Foreign Affairs Reform and Restructuring Act of 1998. Romero abused her position as senior advisor to Nora Astorga, Vice-Minister of Foreign Affairs during the Sandinista government, to acquire the home of U.S. citizen Roberto Velez. According to Mr. Velez, Romero also worked as senior advisor to former Foreign Minister Miguel D'Escoto Brockman. Romero took possession of the property in June 1982 and has confirmed to GON officials that she had occupied the house since August 22, 1982. Between August 1992 and July 1996, Romero attempted to obtain a title for the property, but never paid back the property taxes she owed. In 1996, the Government of Nicaragua (GON) made Mr. Velez an offer of \$100,000 in indemnification bonds or BPIs (estimated market value of \$23,000) to settle the claim, but he refused the amount because the offer was too low.

¶3. (SBU) The Government of Nicaragua sued Romero for non-payment of 2,275,746 cordobas (\$167,800) in property taxes by September 2001, and a local court ordered the foreclosure of the property and the house transferred back to Mr. Velez in December 2001. In March 2002, the GON attempted to execute the court order to return the property back to Mr. Velez and cancel Romero's record in the Public Registry, but Mr. Velez was never able to take possession of it.

#### BACKGROUND

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¶4. (SBU) In October 2002, the Attorney General's Office filed a civil lawsuit against Romero seeking an eviction order, and in October 2003 the court ordered eviction. In February 2004, Romero appealed to the Property Appeals Court, but the court delayed issuing a decision. Mr. Velez was able to obtain internal court

memos that indicated that at least three of the judges who sat on the court would rule against him. On April 3, 2006, the Property Appeals Court ruled against Mr. Velez, nullifying the previous ruling that transferred the property back to Mr. Velez. Mr. Velez believes the ruling was a political decision coordinated between the Sandinista Party and the Liberal Constitutional Party (PLC), known as the "Pacto." Mr. Velez was a member of the National Assembly for the Conservative Party during the Somoza era, but claims that he was never a Somocista [Note: Post does not have any evidence that this unusual court decision was the result of Sandinista influence. End Note.].

#### RECENT DEVELOPMENTS

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**¶5.** (SBU) On January 8, 2007, Mr. Velez signed a document acknowledging that the Office of Assessment and Indemnification had offered him a settlement of BPIs for the house. Mr. Velez informed the Property Office that he would accept BPIs as settlement for his house but that he would continue to negotiate separately for the property on which it was located. On February 8, the National Confiscations Review Commission (CNRC) dismissed his entire claim, alleging that Mr. Velez had already received bonds [Note: The GON has provided no additional details supporting this allegation. End Note.]. On February 15, Mr. Velez filed an appeal with the CNRC. On February 28, Econoff raised Mr. Velez's claim during the monthly Property Working Group meeting (septel) and GON officials promised to review his case.

**¶6.** (SBU) Romero and her family still live in the house and control the property. She has never applied for a non-immigrant visa. Mr. Velez claims that he has spent about \$50,000 in legal fees to regain possession of the property.

#### POST RECOMMENDATION

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**¶7.** (SBU) Post recommends that Romero be considered ineligible for an NIV under Section 2225 of the Foreign Affairs Reform and Restructuring Act of 1998. Romero abused her position in the GON to obtain the property of a U.S. citizen for her personal benefit and continues to maintain control of it. We believe that visa revocation or denial might encourage Romero to return the property to Mr. Velez, or compel the GON to settle Mr. Velez' claim via BPIs.

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